

DEPARTMENTAL BUDGET INFORMATION CIVIC CENTER DEPARTMENT (14)

STATEMENT OF PURPOSE

The Civic Center Department will help support the Mayor's vision to transform the government of the City of Detroit to the Next Detroit by applying the guiding principles of the Next Detroit, which means to structurally balance by bringing costs in line with revenue, while improving services.

The Civic Center Department provides and promotes world class facilities and services for conventions, trade shows, banquets, special events, cultural events and major public and sporting events in order to create both temporary and permanent economic impact to the City of Detroit.

DESCRIPTION

The Civic Center Department is responsible for varying levels of operational, marketing, and contract oversight for Cobo Center, Cobo Arena, Joe Louis Arena, Hart Plaza, Ford Auditorium, and the Veterans Memorial Building (Ford/UAW Training Center). The Department has 6 divisions: Administration, Operations, Sales & Marketing, Building Services, Event Services, and Property Management Administration.

MAJOR INITIATIVES FOR FY 2006-07

In 2005-06, the Civic Center completed the most prolific facility upgrading since it's expansion in 1989. Purchased 15,000 new meeting room chairs, 600 tables, 50 risers/staging and 72 new lecterns. Redesigned our food court and constructed a state of the art restaurant and lounge, the "vü." Remodeled 14 restrooms, which included ADA compliancy. Replaced antiquated fire/security system with state of

the art systems including new digital cameras. Installed WIFI access in public spaces at Cobo Center and Hart Plaza. Developed a new efficiency agreement with our exhibit hall labor unions. These unions orchestrate the production of the North American International Auto Show (NAIAS), which provides \$550 million or economic impact to the region. Installed private, secure Internet connectivity, which can be sold to Civic Center Department customers and exhibitors.

Remodeled 70 meeting rooms and five (5) banquet/ballrooms, which included new state of the art furniture, podiums and stages. Worked in conjunction with MDOT and DEGC to complete a \$13 million streetscape project from Washington Blvd. to Cobo Arena, west to Hart Plaza. Completed major improvements in the Lodge Freeway Tunnel, which enhanced the entrance to downtown.

Renovated the Hart Plaza Lounge, provided lighting upgrades. Installed a new state of the art electronic marquee billboard. The Dodge Fountain has been completely renovated with new lighting and water patterns that exceed the capabilities of the original fountains' design.

PLANNING FOR THE FUTURE FOR FY 2007-08, FY 2008-09 and BEYOND

It is the Civic Center's highest priority to become more competitive and generate more economic impact for the region.

The Civic Center Department has recently entered into new contracts with our exclusive electrical and janitorial contractors.

The Civic Center Department plans to

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aggressively seek to expand Cobo Center in order to remain competitive with new convention centers around the country.

We plan to develop a preventative maintenance program to anticipate maintenance related problems.

The Civic Center Department has the following events scheduled for 2007-08 and beyond:

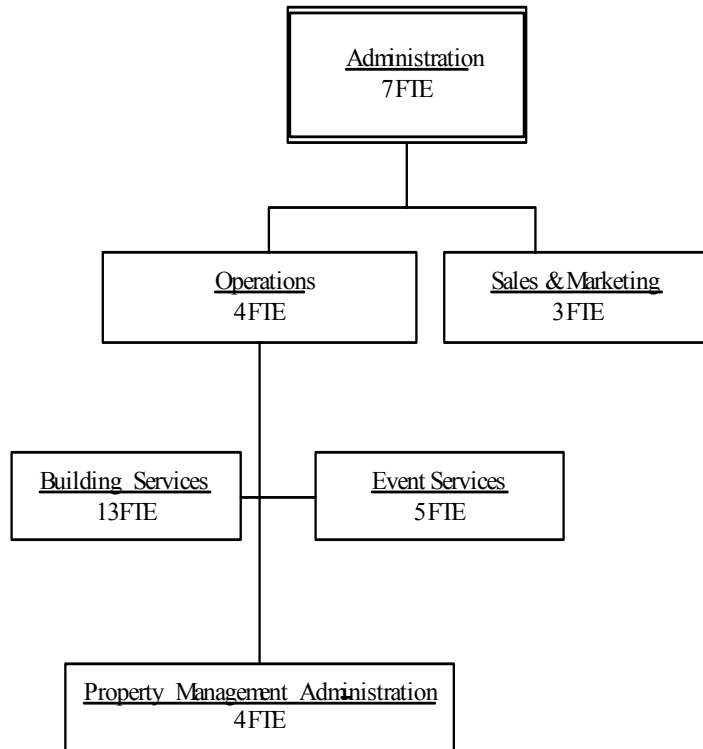
N.A.A.C.P. National Convention (7/07); National Model Railroad Association – National Train Show (7/07); Materials Science and Technology 2007 (9/07); National Science Teachers North/Midwest Area Conference (10/07); American Gear Manufacturing Association (10/07); Michigan Association of Public School Academies – Michigan Charter School Conference (11/07); One Goal Hockey Show (11/07); Auto Show, Boat Show, Dog

Show and Autorama (1st quarter of 2008); SAE World Congress (4/08); and the N.A.A.C.P. Freedom Fund Dinner (4/08).

The Civic Center Department plans to install new carpet in the main atrium, corridors and meeting rooms. We plan to install an electronic central locking system for the meeting rooms and major roof repairs and repair and maintenance of exhibit hall concrete floors.

After Labor Day 2007, Hart Plaza and Ford Auditorium Area will undergo a major upgrade and renovation. Ford Auditorium will be demolished and replaced with an outdoor Amphitheater. The hard surface at Hart Plaza will become a greener, more inviting venue. Work is scheduled to be completed by Summer 2008.

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PERFORMANCE MEASURES AND TARGETS

Type of Performance Measure: List of Measures	2005-06 Actual	2006-07 Projection	2007-08 Target
Outputs: Units of Activity directed toward Goals Number of major events bookings – building rentals	49	50	53
Efficiency: Program costs related to Units of Activity Contractual services as percent of total costs	22%	*2.3%	19%

*In 2006-07, security and janitorial services were transferred to the General Services Department.

In 2007-08, janitorial services are transferring back to Civic Center.

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EXPENDITURES

	2005-06 Actual Expense	2006-07 Redbook	2007-08 Mayor's Budget Rec	Variance	Variance Percent
Salary & Wages	\$ 2,989,594	\$ 1,553,723	\$ 1,689,179	\$ 135,456	9%
Employee Benefits	1,829,766	1,075,178	1,111,293	\$ 36,115	3%
Prof/Contractual	4,722,791	354,000	3,809,057	3,455,057	976%
Operating Supplies	2,273,876	26,000	26,000	-	0%
Operating Services	9,779,421	8,046,376	8,378,584	332,208	4%
Capital Outlays	696,215	1,250,000	1,700,000	450,000	36%
Fixed Charges	2,025,065	2,063,938	3,095,907	\$ 1,031,969	50%
Other Expenses	2,729,533	402,288	418,000	15,712	4%
TOTAL	\$ 27,046,261	\$ 14,771,503	\$ 20,228,020	\$ 5,456,517	37%
POSITIONS	58	32	36	4	13%

REVENUES

	2005-06 Actual Revenue	2006-07 Redbook	2007-08 Mayor's Budget Rec	Variance	Variance Percent
Rev from Use of Assets	\$ 4,965,452	\$ 7,321,114	\$ 6,820,620	\$ (500,494)	-7%
Sales & Charges	(1,225,681)	685,493	33,234	(652,259)	-95%
Sales of Assets	11	-	-	-	0%
Contrib/Transfers	1,173,480	1,250,000	1,500,000	250,000	20%
Miscellaneous	197,410	5,000	10,000	5,000	100%
TOTAL	\$ 5,110,672	\$ 9,261,607	\$ 8,363,854	\$ (897,753)	-10%

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